

FISCAL NOTE

SB 2981 - HB 2932

February 15, 2000

SUMMARY OF BILL: Provides the following:

- when filing a new claim for unemployment benefits, to the extent permitted under Federal Law, a claimant must disclose if he is under obligation to pay a TennCare premium or if he owes past due TennCare premiums.
- the Administrator of the Division of Employment Security shall notify the Bureau of TennCare of any claimant eligible for unemployment benefits who owes TennCare premiums.
- if permitted under Federal Law, and with the consent of the claimant, the administrator shall deduct and withhold the amount TennCare premiums due from the claimants unemployment benefits.
- TennCare premiums withheld from unemployment benefits will be paid by the Administrator of Employment Security to the Bureau of TennCare as a payment of the claimant's TennCare premium.
- the Division of Employment Security will be reimbursed for the administrative costs incurred in the collection of TennCare premiums.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$9,300 Recurring
\$390,260 One-Time**

Increase State Revenues - Exceeds \$100,000

Estimate assumes:

- an increase in expenditures to the Unemployment Insurance Trust Fund for one-time programming costs.
- an increase in state expenditures for administrative cost reimbursement to the Division of Employment Security. Expenditures incurred by Employment Security will be reimbursed from state funds.
- an increase in state revenues from the collection of TennCare premiums withheld from unemployment benefits.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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